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ACTION INR-00

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| INFO | LOG-00  | NP-00   | AF-00   | A-00   | ACQ-00  | CIAE-00 | INL-00  |
|      | DODE-00 | DS-00   | UTED-00 | VC-00  | TEDE-00 | L-00    | VCE-00  |
|      | NSAE-00 | TEST-00 | USIE-00 | IIP-00 | DSCC-00 | DRL-02  | NFAT-00 |
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FM AMEMBASSY HARARE  
TO SECSTATE WASHDC PRIORITY 0248  
INFO NSC WASHDC  
SOUTHERN AFRICAN DEVELOPMENT COMMUNITY

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SIPDIS

AF/PD FOR COX, ROBERTSON, AF/S FOR SCHLACHTER, AF/P,  
INR/R/MR, NSC FOR JENDAYI FRAZER

E.O. 12958: N/A  
TAGS: ZI PREL PHUM  
SUBJECT: DAILY NEWS EDITOR GEOFF NYAROTA ARRESTED

11. GEOFF NYAROTA, EDITOR-IN-CHIEF OF THE PRIVATELY OWNED DAILV "THE DAILY NEWS," AND HIS FORMER BUSINESS PARTNER WILF MBANGA WERE ARRESTED ON NOVEMBER 8. DETECTIVES FROM THE CRIMINAL INVESTIGATION DEPARTMENT ARRESTED BOTH MEN AT THEIR HOMES AT 0600 HOURS. THE TWO WERE PICKED UP FOR INTERROGATION FOLLOWING ALLEGATIONS, CARRIED LN THE GOVERNMENT-CONTROLLED DAILY "THE HERALD," THAT THEY FLOUTED INVESTMENT LAWS AND EXCHANGE CONTROL REGULATIONS WHEN THEY OBTAINED AN OPERATING LICENSE TO LAUNCH "THE DAILY NEWS" IN 1998. NYAROTA AND MBANGA WERE DETAINED OVERNIGHT AT RHODESVILLE POLICE STATION IN HARARE. ACCORDING TO A POLICE SPOKESMAN, THE TWO WERE PICKED UP ON "ALLEGATIONS OF FRAUD OR ALTERNATIVELY CONTRAVENLNG SECTION 40 OF THE ZIMBABWE INVESTMENT CENTER ACT BY SUPPLYING FALSE INFORMATION IN AN EFFORT TO OBTAIN AN OPERATING LICENSE."
12. THE NOVEMBER 9 EDITION OF THE "DAILY NEWS" CARRIED A FRONT-PAGE STORY ON THE ARRESTS, STATING THAT THE ARRESTS WERE CAUSED BY A CLERICAL ERROR MADE BY PRICEWATERHOUSECOOPERS IN DOCUMENTS RELATED TO THE NEWSPAPER'S ARTICLES OF INCORPORATION. ACCORDING TO STAFF AT THE "DAILY NEWS," PRLCE WATERHOUSE-PREPARED DOCUMENTS INADVERTENTLY REFERRED TO A COMPANY NAMED MOTLEY INVESTMENTS (PRIVATE) LIMITED AS THE COMPANY THAT WAS TO CHANGE ITS NAME TO ASSOCIATED NEWSPAPERS ZIMBABWE (PRIVATE) LIMITED. THE CORRECT NAME OF THE COMPANY WAS MOTLEY TRADING (PRIVATE) LIMITED, THE COMPANY INITIALLY FOUNDED-BY NYAROTA AND MBANGA.
13. AS OF 0800 ON NOVEMBER 9, NYAROTA AND MBANGA WERE ST IN POLICE CUSTODY AT A SUBURBAN HARARE POLICE STATION ACCORDING TO NYAROTA'S SECRETARY, WHO VISITED THE TWO THIS MORNLNG AT THE POLICE STATLON, THEY BOTH LOOKED FINE AND LN LIGH SPIRITS. THE PAPER'S DEPUTY EDITOR CHARACTERIZED THE ARRESTS AS "DURE POLITICA, HARASSMENT" AND SAID IT SHOWED.BOTH THE SUCCESS OF TH UNCLASSIFIED

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"DAILY NEWS" AND THE "GOVERNMENT'S FEAR OF ALTERNATIV POINTS OF VIEW."

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